



Instr: 201003150009014
P: 1 of 2 F: \$28.00 03/15/2010
Rick Campbell 2:24PM LEAS
Stark County Recorder T20100007360

NON DEVELOPMENT OIL AND GAS LEASE

Climo #2D & #3D - X

THIS LEASE, made this 25th day of February, 2010, by
and between

Terrance Hale and Reta Hale
3304 Crownpoint Street NW
Massillon, Ohio 44646

Please circle marital status: **Single, Married, Divorced Widowed (If married, spouse must sign lease)**

hereinafter called Lessor, and, **EVERFLOW EASTERN PARTNERS, LP., P.O. Box 629, Canfield, Ohio 44406**, hereinafter called Lessee, do agree:

1. Lessor, for consideration, grants Lessee all the oil and gas in the lands described below, with the exclusive right to operate for, produce and market the same from a well or wells on other lands; the right to unitize Lessor's lands, or any portion, with other lands into a drilling unit of no more than one hundred sixty acres. This Lease is for 5 years(s), and as long thereafter as operations are being conducted on any such unit or oil or gas can be produced in paying quantities in Lessee's judgment from any such unit. This lease covers all of Lessor's land in and adjoining Section/Lot 10 of the City of Perry, Stark, County, Ohio, containing 0.52 acres, more or less, and bounded substantially, now or formerly, as follows:

Or further described as: Parcel #: 4313434
Property Address: **3304 Crownpoint Street, Massillon**

2. Lessor shall be paid as royalties a proportional share of one-eighth (1/8) of the proceeds realized by Lessee on all the oil and gas sold off the unit, as the amount of Lessor's acreage in the unit bears to the total acreage in the unit. Lessor grants Lessee a power of attorney to execute indemnifying division orders or contracts for the sale of gas or oil.

3. No well shall be drilled on Lessor's property, nor shall Lessee enter upon or install any surface installation of any nature whatsoever on the leased property, the within Lease being granted solely for the purpose of permitting the Lessee to unitize the leased property with other properties, which other properties shall bear all the burden of development. Lessor understands and gives consent that, due to slant (directional) drilling, originating from surface entry on a parcel not owned by Lessor, the wellbore may pass through or terminate below the surface of Lessor's property.

4. This lease shall be binding on all heirs, successors, and assigns of Lessor and Lessee. No change of ownership shall be binding on Lessee until Lessee has received adequate evidence of transfer. If the leased land is hereinafter owned in separate tracts, the premises, nevertheless, shall be treated as an entirety and all payments due shall be paid proportionally to each separate owner, and if Lessor owns less than the entire fee, Lessor shall be paid only his proportional share of any payment due. Lessee may at any time surrender this Lease in whole or in part.

5. Lessor hereby warrants and agrees to defend title to the land herein described and agrees that Lessee, at its option, may pay and discharge any taxes, mortgages, or other liens existing, levied, or assessed on or against the said lands and, in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself for any payments due hereunder.

6. Lessee agrees to pay Lessor a sum of \$750.00 as a signing bonus consideration, payable within 10 business days.

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LESSOR:

Terrance Hale
Terrance Hale

Reta L. Hale
Reta Hale

STATE OF OHIO
COUNTY OF Wayne SS:

The foregoing instrument was acknowledged before me this 25 day of February,
2010
by Terrance & Reta Hale
(Insert Lessors name on the line above)

My commission expires

Joyce A. Shaw
Notary Public

JOYCE A. SHAW
Notary Public, State of Ohio
My Commission Expires Sept. 9, 2013

030696 - L176

This signature page shall only be attached to an oil and gas lease agreement with Everflow Eastern Partners, L.P., and no other binding contract.

This instrument prepared by Everflow Eastern Partners, LP, P.O. Box 629, Canfield OH 44406